

and seeking exemption from service tax. After careful consideration of facts the Government have exempted from the levy of the service tax, the services provided in relation to still photography by any photography studio or agency including individual professional photographers, which are not registered under the law relating to Shop and Establishment or any other law of a State. In view of this exemption, individual self-employed photographers have been excluded from the purview of service tax.

Payment of Income Tax

1782. SHRI H.K. JAVARE GOWDA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that an honest person has to pay 40 per cent tax, while a tax evader is encouraged to pay just 30 per cent under the Voluntary Disclosure Scheme; and

(b) if so, what are the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) and (b) No, Sir. Voluntary Disclosure of Income Scheme (VDIS) was a special scheme which was in force from the 1st day of June upto 31st December, 1997. It provided an opportunity to persons who had failed to disclose their income in the past to declare their undisclosed income and pay tax on the same at the then prevailing rate of 30% which was the maximum rate of tax applicable to individuals as per the Finance Act, 1997.

CAG's reports on fraud activities

1783. SHRI RUMANDLA RAMACHANDRAIAH: Will the Minister of FINANCE be pleased to state:

(a) whether the Prime Minister has expressed serious concern over growing leakage of public funds and pledged to fight corruption;

(b) if so, whether he was addressing the three day 21st Conference of the Comptroller and Auditor General of India;

(c) whether all the reports of the C and AG of India in which number of frauds were reported have been welcomed by the Prime Minister;

(d) whether any directive has been issued to the Comptroller and Auditor General of India in this regard; and

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(e) if so, the initiatives being considered by Government to check the corruption prevailing in the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) The Prime Minister at the 21st Conference of the Accountants General had expressed grave concern at the leakage of public funds at implementation level and emphasised Government's commitment to fighting corruption and ensuring probity in administration and public life.

(c) The Prime Minister had emphasised the need for more transparency and had in this context welcomed the placing of Comptroller & Auditor General of India report on the internet.

(d) and (e) Comptroller & Auditor General of India is a constitutional authority vested with powers and responsibility for audit of the expenditure for the receipts into the Consolidated Fund of India and of each State and each Union Territory having a Legislative Assembly. Reports of Comptroller & Auditor General of India are laid in Parliament and the concerned Legislature of State by the concerned Governments. There are instructions to concerned Ministry in Central Government to furnish action taken notes on these reports (duly vetted by audit) to the Public Accounts Committee. A Monitoring Cell continuously monitors progress in this regard.

Action against tax defaulters

1784. SHRI DIPANKAR MUKHERJEE: Will the Minister of FINANCE be pleased to refer to the answer to Unstarred Question No. 221 given in the Rajya Sabha on 25th July, 2000 and state:

(a) the action taken so far against defaulters listed therein;

(b) whether Government's attention has been drawn to the news-item "Send wilful defaulters to jail, says Sinha" appearing in the Pioneer dated the 15th July, 2001; and

(c) if so, whether Government are contemplating similar punitive action for the defaulters of corporate tax, customs duty and excise duty?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) The action taken so far against major defaulters includes close monitoring of recovery action by tax authorities,